

# THE ESTABLISHMENT OF THE MALTA CHAMBER OF COMMERCE

CARMEL VASSALLO

Associations of merchants to promote trade and defend commercial interests are known to have existed at least as early as the Roman Empire but the *Chambre de Commerce* of Marseilles, with origins in 1599, would seem to have been the first such organization bearing the modern name. It was, nevertheless, not until the massive expansion of commerce in the nineteenth century that Chambers of Commerce, sponsored by the state or the result of private initiative, really became established as important articulators of business interests.

The Malta Chamber of Commerce, which has existed without interruption since 1848, was one of the earliest to be established in what was then the British Empire, even preceding such important chambers as Liverpool (1851), Sheffield (1857) and London itself, which was established in 1881.

The fore-runners of the Chamber may of course be sought as far back as the late fourteenth century in the shape of the Maltese *Università*, responsible for the provisioning of the island. Some of the functions of the later *Consolato di Mare*, created in 1697, would also devolve on to the Chamber of Commerce, while a short-lived *Camera dei Negozi* or *Camera di Commercio* actually existed in the eighteenth century. But the Malta Chamber of Commerce, whose 150 years of existence we are celebrating this year, was the direct result of the fusion of two institutions, a Society of British Merchants on the verge of extinction and a Society or Committee of Maltese Merchants which was very much in the ascendancy.

The former, set up in 1808, had emerged from the informal meetings which British merchants had held since at least 1803.<sup>1</sup> In these early years of the century Malta experienced an intense outburst of commercial activity as a result of the Continental Blockade. The years 1808-1812, in particular, were a truly exceptional period when Malta constituted a veritable 'hub' swarming with 'offshore' companies. This is reflected in the impressive number of foreigners living on the island in those years. One in five of those estimated to have been living in Malta and

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<sup>1</sup> Minutes of Meetings of the Chamber of Commerce 6.4.1848 - 19.12.1854, f. 4.

Gozo in 1807 were non-Maltese compared to less than one in 50 in 1842, around 35 years later.<sup>2</sup>

Englishmen seem to have figured prominently in this short-lived Golden Age of Commerce. In insurance and banking, for example, there seems to have been a clear preponderance of British capital.<sup>3</sup> The dominant role of the latter is also evidenced by the fact that Maltese merchants would not secure entry into the Society of British Merchants until 1822, considerably after the end of the boom.<sup>4</sup>

But the matter does not seem to be quite as simple and straightforward as it looks and a closer scrutiny of the data would seem to indicate a somewhat less important role for British merchants than Michela D'Angelo would seem to claim for them in her excellent work. Indeed, our analysis of imports into Malta in 1812-1813, just before Malta's trade was totally disrupted by the plague, shows British merchants accounting for only around 12% of imports, while Maltese and foreign merchants, on the other hand, accounted for around 17% and 71% respectively.<sup>5</sup>

There is, in any case, no doubt that the size of the British trading community on the island diminished rapidly after the 1813 plague and native Maltese merchants would seem to have started recovering the prominence they may have lost in the early years of the century.

Evidence of this is to be found in a letter dated 25 January 1828 in which the Committee of British Merchants sought a halving of the annual rent payable to the Government for the Commercial Rooms owing to declining membership.<sup>6</sup> An appendix attached to justify this request shows that the number of subscribers to the Commercial Rooms was on the increase up to 1812, just before the plague. During 1813 it fell back somewhat but bounced back to a new high of 300 in 1814, before halving in 1815. By 1822 membership had dropped to 46.

In the latter year, namely 1822, the Society of British Merchants decided to admit Maltese merchants as members and the number of subscribers to the Commercial Rooms nearly doubled to 87 in 1823.

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<sup>2</sup> For 1807 Bowen-Jones et al (1961) pp. 133-135 and for 1842 Giglio (1853) p. 6.

<sup>3</sup> D'Angelo (1990) pp. 78-83.

<sup>4</sup> Malta Chamber of Commerce Public Proceedings of merchants committees and meetings 24-28 January 1822.

<sup>5</sup> NLM Ms 815 *Conto Degli Introiti Fatti Pel Dritto Di Magazzinagio sugli Effetti Depurati Nel Lazzaretto* and Ms 816 *Conto Dell'Introito Pel Dritto Del Mezzo %*.

<sup>6</sup> Malta Chamber of Commerce. Outgoing Correspondence 18 January 1822 to 20 January 1829 pp. 195-196.

But during the course of the next couple of years there must have been some major confrontation because subscribers had gone back down to 50 by 1827.<sup>7</sup>

The institution to emerge from this confrontation between established British members of the Society of British Merchants and the newly-admitted Maltese merchants would be the other immediate predecessor of the Malta Chamber of Commerce, namely the Committee of Maltese Merchants or *Casino San Giorgio*.

We have still to locate the records of this Committee but an indication that at least some of the newly-joined Maltese members of the Society of British Merchants decided to go their own way comes from the fact that Giuseppe Borg, Salvatore Gatt and Giuseppe Buttigieg, three of the Maltese merchants to join the Society of British Merchants all appear as Presidents of the Committee of Maltese Merchants at different times between 1825 and 1827.<sup>8</sup> The rift is further confirmed by Proclamation No. IX of 29 December 1829 entitled *A law for regulating the appointment of Merchants to act as Consuls in His Majesty's Commercial Court and in His Majesty's Court of Appeal* which set out that there be a list of English and a separate list of Maltese merchants to serve as consuls.<sup>9</sup>

For the next couple of decades we have, as yet, very little to go on but some form of Committee of Maltese Merchants must have continued in existence because just prior to Agostino Portelli's formal election as the first President of the *Camera di Commercio* or Chamber of Commerce we have encountered references to G.M. Pulis as 'presidente del comitato dei negozianti maltesi' on the 6 or 7 April 1848.<sup>10</sup>

Despite the co-existence of the two committees it would nevertheless seem that by the mid 1840s the Maltese merchant community was the numerically stronger one. An 1845 *Directory of Lawyers, Notaries, Physicians, Merchants, Brokers etc. in Malta* lists a total of 292 people, mostly in Valletta.<sup>11</sup> Of these, 115 were Merchants, Brokers, Chandlers and Exchangers of which 74 (or 64%) had clearly Maltese names, 25 (or 21%) had English names and 17 (or 15%) had foreign-sounding surnames, that is, other than English.

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<sup>7</sup> Ibid., p. 196.

<sup>8</sup> National Archives of Malta. Letters from Chief Secretary to Government to individuals from 12 August 1817 to 29 April 1835 passim.

<sup>9</sup> *The Malta Government Gazette* No. 1621, 7 January 1847 pp. 1-2 refers.

<sup>10</sup> *Lloyd Maltese* 6 or 7 April 1848 pp. 2-3.

<sup>11</sup> *Muir's Almanack*, Malta 1845 pp. 118-126.

It is to be supposed that these 115, which included Agostino Portelli himself, represented the upper echelon of the 6,326 who a few years later, in the 1851 Census, would declare being involved in commerce.<sup>12</sup>

Be that as it may the division between Maltese and British merchants would probably have continued were it not for the appointment of a civilian, Richard More O'Ferrall, to be Governor of Malta in 1847. It is, indeed, mostly to him that we should look for the catalyst that eventually led to the fusion of the Maltese and British Committees via the creation of the Chamber of Commerce which has come down to our times.

An M.P. and an experienced administrator, More O'Ferrall carried out a major reform of many of the island's civil institutions, initiating changes in the legal system and building and/or improving the prison, lunatic asylum, hospitals, charities and schools.<sup>13</sup> He would also be responsible for the 1849 constitution which for the first time gave the Maltese a say in their own government.

As a person active in politics and administration, particularly in the post of Secretary of the Treasury prior to his arrival in Malta, More O'Ferrall would probably have been aware of the spate of Chambers of Commerce being created in many parts of the British Empire at that time e.g. Calcutta (1834), Bombay and Madras (1836), Ceylon (1839), Adelaide (1840), and Toronto (1845).<sup>14</sup> He and his contemporaries may have also been aware of developments on the Continent.

Chambers were established in Paris (1827), Munich (1848), Vienna (1848) and other cities and the period was marked by the enactment of legislation to permit the establishment of Chambers of Commerce in order to facilitate trade.<sup>15</sup>

On his arrival in Malta, More O'Ferrall would seem to have wasted no time in embarking on his ambitious reform programme. In what seems to have been one of his first major public statements the Governor put the matter of the Chamber of Commerce at the very top of the subjects which he intended to do something about.

Addressing the Council of Government he said:

I avail myself of this opportunity to state to you the subjects which have engaged my attention, and the measures which it will be my duty to bring before you at the next meeting of the Council. Soon after my arrival I had many communications with the Mercantile Body on

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<sup>12</sup> Giglio (1853) p. 10.

<sup>13</sup> Blouet (1992) pp. 150-151.

<sup>14</sup> *Encyclopaedia Britannica*, USA 1962 Vol. 22 pp. 363-364.

<sup>15</sup> *Enciclopedia Universal Ilustrada Europeo Americana*, Madrid 1988 Vol. X, pp. 1045-1059 passim.

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subjects connected with the most important interests of Malta, and though most cordially assisted by those to whom I applied for information, I felt the want of an authorized body, such as a Chamber of Commerce, who would represent the united interests of English and Maltese. This deficiency, I am happy to say, is about to be supplied by the union of the Merchants of both Countries, who feel with me that all our interests are identical, and who will cordially assist the Government in promoting the Commercial interests of Malta.<sup>16</sup>

The Chamber was clearly one of his first priorities but More O'Ferrall's motives seem to have gone beyond an interest in the promotion of trade, at that time the major source of the administration's income.

In answer to a 10 November 1849 letter from the Chamber of Commerce welcoming him back to the island the Governor declared that;

The Chamber was the first experiment of a representative institution at Malta in recent times, its perfect success confirmed my impression that the time had come for introducing into the Council of Government the principle of representation by free election with benefit to the interests of the Islands and as a means of drawing closer the bonds of attachment which bind Malta to Great Britain.<sup>17</sup>

It is a truly remarkable testimony which for the first time enables us to lodge the establishment of the Malta Chamber of Commerce firmly within the wider context, as an event which amply transcended the mercantile community.

It was an experiment whose success would shortly afterwards lead to the first democratic elections and a representative Council of Government.<sup>18</sup> The suffrage was admittedly limited but it would be the first step on the long and arduous road which, although beset with many setbacks, would eventually lead to the islands' independence in the next century.

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<sup>16</sup> *The Malta Government Gazette* No. 1643, 8 May 1848, p. 1.

<sup>17</sup> National Archives of Malta. GMR 1027 Malta Miscellaneous Papers Vol. III folios 228V to 229.

<sup>18</sup> Interestingly enough the candidate to poll the most votes in that first election held on the 16, 17, 18 and 20 August 1849 was none other than Giuseppe Pulis Montbello, president of the 'comitato dei negozianti maltesi' just before the setting up of the Chamber of Commerce. Refer *The Malta Government Gazette* No. 1674 dated 23 August 1849, p. 1 and *Lloyd Maltese* 7 April 1848, pp. 2-3 respectively.

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